

HOUSE BUDGET COMMITTEE

Democratic Caucus

The Honorable John M. Spratt Jr. ■ Ranking Democratic Member

B-71 Cannon HOB ■ Washington, DC 20515 ■ 202-226-7200 ■ www.house.gov/budget_democrats

July 21, 2004

Bush Administration Does Not Adequately Address Clean Water and Drinking Water Needs

Dear Democratic Colleague:

Attached please find an analysis of the President's water infrastructure budget. The President's 2004 budget claimed that the Administration would continue to meet the Clean Water State Revolving Fund (CWSRF) and the Drinking Water State Revolving Fund (DWSRF) goals established and achieved by the Clinton Administration.

To quote the 2004 budget: "Through both SRFs, EPA will be able to close the gap between current funding levels and the future water infrastructure needs." Despite this rhetoric, the President's budget funds these SRFs at insufficient levels. The nation's water systems need significant investments to install, upgrade, or replace infrastructure in order to ensure the provision of safe drinking water and better protect public health. Absent an adequate federal investment, the country will continue to fall behind in its commitment to clean water. In yet another misplaced priority, the President's budget provides for oversized tax cuts while rejecting vital investments in clean air, safe drinking water, and conservation measures which impact American families every day.

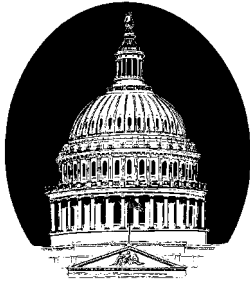
Please do not hesitate to contact me or the Democratic staff of the House Budget Committee with any questions.

Sincerely,

/s

John M. Spratt, Jr.

Ranking Democratic Member



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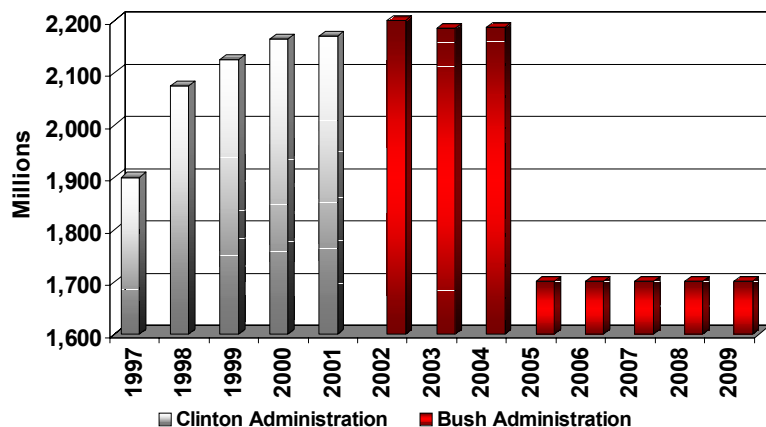
The Administration touts its commitment to clean air, clean water, and environmental preservation and conservation, but reality does not match the rhetoric. In yet another misplaced priority, the President's budget provides for oversized tax cuts while rejecting vital investments in clean air, safe drinking water, and conservation measures which impact American families every day.

The nation's water systems need significant investments to install, upgrade, or replace infrastructure in order to ensure the provision of safe drinking water and better protect public health. Aging infrastructure, increased population, and sprawl have placed stress on existing water infrastructure systems, and improvements are needed to help those systems eliminate a threat of contamination. As our population grows and our existing water infrastructure reaches the end of its life span, the country is falling further and further behind in making the necessary investments to protect public health and the environment.

Analyses by the EPA, CBO, and others have found that the nation faces important unmet needs to maintain existing water infrastructure and to build new infrastructure where needed. Absent an adequate federal investment, the country will continue to fall behind in its commitment to clean water.

The President's 2004 budget claimed that the Bush

Combined Clean Water and Drinking Water State Revolving Funds



Source: Office of Management and Budget.

Administration would continue to meet the Clean Water State Revolving Fund (CWSRF) and the Drinking Water State Revolving Fund (DWSRF) goals established and achieved by the Clinton Administration.

To quote the 2004 budget: “Through both SRFs, EPA will be able to close the gap between current funding levels and the future water infrastructure needs.” Despite this rhetoric, the President’s budget funds these SRFs at insufficient levels.

Clean Water and Drinking Water Needs Ignored

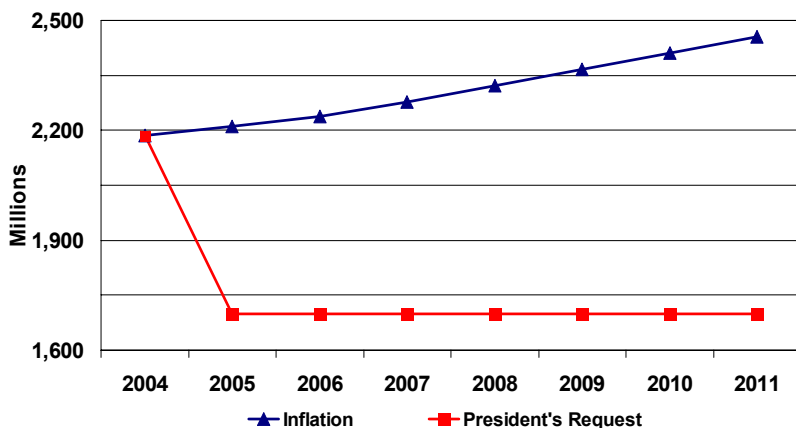
The Clean Water SRF is provided only \$850 million in 2005, a cut of nearly \$500 million from the 2004 enacted level of \$1.3 billion. The Drinking Water SRF also receives only \$850 million in 2005, a \$5 million increase from the 2004 level, but \$4 million below the level required to maintain current services. Furthermore, the budgets for the Clean Water and Drinking Water SRFs are frozen through 2011 and 2018, respectively.

In the President’s budget, through 2011, the CWSRF will be over \$4.0 billion below the level required to maintain current services; the DWSRF will be \$340 million below the level required to maintain current services. Taken together, SRF funding will be nearly \$4.4 billion below the level required to maintain current services through 2011.

While its rhetoric claims to continue the Clinton Administration’s water

infrastructure commitment, the Bush Administration’s budget results in a significant cut in funding overall. This dramatically inhibits our ability to meet our current needs, as well as reduce pollution, establish a sound wastewater treatment infrastructure, provide safe drinking water for millions of Americans, and protect against potentially deadly water contamination. Studies have consistently shown that the quality of water is one of the leading concerns among the vast majority of Americans. Now is not the time to ignore the public’s concerns and renege on our commitment to provide clean water.

Combined Clean Water and Drinking Water State Revolving Fund Levels



Source: Congressional Budget Office, Office of Management and Budget